

INDEPENDENT ACCOUNTANTS' REPORT

CERTIFIED PUBLIC ACCOUNTANTS

Mayor and City Council Galesburg, Kansas

We have compiled the accompanying statutory basis actual information for the year ended December 31, 2008, and the statutory basis estimated actual information for the year ending December 31, 2009, of the City of Galesburg, Kansas, included in the accompanying prescribed form, in accordance with *Statements on Standards for Accounting and Review Services* issued by the American Institute of Certified Public Accountants. We also have compiled the accompanying proposed budget information (forecast) and accompanying schedules of the City of Galesburg, Kansas, for the year ending December 31, 2010, included in the accompanying prescribed form, in accordance with attestation standards established by the American Institute of Certified Public Accountants.

A compilation is limited to presenting, in the form (including that of a forecast) prescribed by the State of Kansas Division of Accounts and Reports, information that is the representation of management and does not include evaluation of the support for the assumptions underlying the forecast. We have not audited or reviewed the accompanying actual and estimated actual information referred to above and, accordingly, do not express an opinion or any other form of assurance on the accompanying statements. We also have not examined the forecast and accompanying schedules and, accordingly, do not express an opinion or any other form of assurance on the accompanying information or assumptions. Furthermore, there will usually be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

The actual, estimated actual, and forecasted information and accompanying schedules are presented in accordance with the requirements of the State of Kansas Division of Accounts and Reports, which differ from generally accepted accounting principles. Accordingly, this information is not designed for those who are not informed about such differences.

July 14, 2009

JARRED, GILMORE & PHILLIPS, PA

Certified Public Accountants

CERTIFICATE

To the Clerk of Neosho, State of Kansas We, the undersigned, officers of

City of Galesburg

certify that: (1) the hearing mentioned in the attached publication was held; (2) after the Budget Hearing this budget was duly approved and adopted as the maximum expenditures for the various funds for the year 2010; and

(3) the Amount(s) of 2009 Ad Valorem Tax are within statutory limitations.

(3) the Amount(s) of 2009 Ad Valorem Tax are within statutory limitations. 2010 Adopted Budget										
		Page		Amount of 2009 Ad	County Clerk's					
Table of Contents:		No.	Expenditures	Valorem Tax	Use Only					
Computation to Determine Lim		2								
Allocation of MVT, RVT, 16/2	0M Veh & Slider	3								
Schedule of Transfers		4								
Statement of Indebtedness		5		ł						
Statement of Lease-Purchases		6								
<u>Fund</u>	<u>K.S.A.</u>									
General	12-101a	7	82,355	30,821	26,427					
Tort Liabilty	75-6110	8	13,200	7,004	6.005					
				·						
Special Highway		9	41,014							
Equipment Reserve		9	37,757							
Water Utility		10	42,706							
Sewer Utility		10	62,139							
Non-Budgeted Funds-A		11								
Totals		х	279,171	37,825	32,432					
Budget Summary		12								
Neighborhood Revitalization R										
Is an Ordinance required to be	passed, published, a	and attache	ed to the budget?	No						
		* ***	County Clerk's Use Only							

	County Clerk's Use Only
	1.166.266 Led xtire
	November 1st Total
State Use Only	Assessed Valuation Shake 1199
Received	10 72
Reviewed by	Assisted by: Philip A. Jarred, CPA
Follow-up: YesNo	Jarred, Gilmore & Phillips, PA //
. + .	Address: 1815 S. Sante Fe, PO Box 779 & Den () Park
Attest: OC 12th,	2009 Chanute, KS 66720
While I neoly	la lalyan
County Clerk	Governing Rody

revised 8/06/07

Page No. 1

Madalene Shockley, Mayor

Amount of Levy

City of Galesburg

Computation t	to	Determine	Limit	for	2010
---------------	----	-----------	-------	-----	------

	Total Tax Levy Amount in 2009 Budget Debt Service Levy in 2009 Budget	+ ; - ;	\$ \$	 37,167
3.	Tax Levy Excluding Debt Service	:	\$ _	37,167
	2009 Valuation Information for Valuation Adjustments:	,		
4.	New Improvements for 2009: + 1,260			
5.	Increase in Personal Property for 2009: 5a. Personal Property 2009 + 512,973 5b. Personal Property 2008 - 527,982 5c. Increase in Personal Property (5a minus 5b) + 0 (Use Only if > 0)			
5.	Valuation of annexed territory for 2009: 6a. Real Estate + 0 6b. State Assessed + 0 6c. New Improvements - 0 6d. Total Adjustment (Sum of 6a, 6b, and 6c) + 0			
7.	Valuation of Property that has Changed in Use during 2009: 19,029			
8.	Total Valuation Adjustment (Sum of 4, 5c, 6d &7) . 20,289			
9.	Total Estimated Valuation July 1, 2009 1,166,221			
10.	Total Valuation less Valuation Adjustment (9 minus 8) 1,145,932			
11.	Factor for Increase (8 divided by 10) 0.01771			
12.	Amount of Increase (11 times 3)	+ ;	\$_	 658
13.	Maximum Tax Levy, excluding debt service, without an Ordinance (3 plus 12)		\$ _	 37,825
14.	Debt Service Levy in this 2010 Budget		_	 0
15.	Maximum levy, including debt service, without an Ordinance (13 plus 14)		=	37,825

If the 2010 budget includes tax levies exceeding the total on line 15, you must adopt an ordinance to exceed this limit, publish the ordinance, and attach a copy of the published ordinance to this budget.

0.00000

Allocation of Motor, Recreational, 16/20M Vehicle Tax & Slider

Budgeted Funds	Budget Tax Levy Amt		Allocation fo	or Year 2010	
for 2009	for 2009	MVT	RVT	16/20M Veh	Slider
General	30,124	3,072	31	52	0
Tort Liabilty	7,043	718	7	12	0
TOTAL	37,167	3,790	38	64	0
County Treas Motor Vehi County Treasurers Recrea County Treasurers 16/201	ational Vehicle Estimate	3,790	38	. 64	
County Treasurers Slider					0
Motor Vehicle Factor	Recreational Vehicle Fa	0.10197 actor	0.00102		
		16/20M Vehicle	Factor	0.00172	

Slider Factor

Schedule of Transfers

Fund Transferred From:	Fund Transferred To:	Actual Amount for 2008	Current Amount for 2009	Proposed Amount for 2010	Transfers Authorized by Statute
General	CDBG	732	732	732	KSA 12-825d
Sewer Utility	Sewer Utility Reserve	-	10,000	10,000	KSA 12-825d
Sewer Utility	Water Utility	•	-	10,000	KSA 12-825d
					
		730	10.723	20.523	
	Totals	732	10,732	20,732	
	Adjustments		1/-		
	Adjusted Totals	732	10,732	20,732	

Note: Adjustments are only required if the transfer expenditures not shown in the Budget Summary total.

STATEMENT OF INDEBTEDNESS

nt Due	Principal		3,000			3,000		864	817			1,681				0	4,681
Amount Due 2010	Interest		3,000			3,000		7 643	2,642			5,525				0	8,525
Amount Due	Principal					0		000	784			1,614				0	1,614
Amount 2009	Interest					0		i to	2,8/5			5,591					5,591
Date Due	Principal		1/1						8/6								
Date	Interest		1/1, 7/1						8/6								
Beginning Amount	Jan 1,2009		60,000			000 09	20060		69,708			135,544					0 195,544
, , , , , , , , , , , , , , , , , , ,	Issued		. 000,09						72,000	20,60							
Interest	Nate %		5.00						4.125								
Date	OI Retirement		1/1/29						9/8/45	C+1017							
Date	or Issue		1/1/09].	9/1/05	COTT							
	Tyne of Debt	General Obligation:	Anticipated Debt- GO Street Bonds			E E	Dougante Bonder	Water System Revenue Bonds;	Series A	Series D		Total Revenue Bonds	Other:				Total Other Total Indebtedness

City of Galesburg

STATEMENT OF CONDITIONAL LEASE-PURCHASE AND CERTIFICATE OF PARTICIPATION*

Payments Due 2010	0,7,0									5,250	
Payments Due 2009	2,025									2,625	
Principal Balance On Jan 1 2009	0									0	
Total Amount Financed (Beginning Principal)	42,585										
Interest Rate %	4.25										
Term of Contract (Months)	120										
Contract	5/14/2009										
Item Purchased	Fire Station Improvements									- T - T - L	Otals

^{***}If you are merely leasing/renting with no intent to purchase, do not list--such transactions are not lease-purchases.

FUND PAGE - GENERAL

Adopted Budget	Prior Year Actual		Proposed Budget Year
General	2008	2009	2010
Unencumbered Cash Balance Jan 1	7,956	21,161	21,906
Receipts:			
Ad Valorem Tax	28,991		XXXXXXXXXXXXXXXXXXX
Delinquent Tax	257	257	8
Motor Vehicle Tax	2,397	3,188	3,072
Recreational Vehicle Tax	269	30	31
16/20M Vehicle Tax	43	49	52
Gross Earning (Intangible) Tax			0
LAVTR			0
City and County Revenue Sharing			0
Slider			0
Intergovernment			
Local Sales Tax	9,506	5,391	5,500
Franchise Fees	10,264	10,738	10,750
Santitation Collections	9,864	9,580	9,600
· · · · · · · · · · · · · · · · · · ·			
			
			· · · · · · · · · · · · · · · · · · ·
		<u> </u>	
			
	 		
	···		
	- 		
			
	 		
	 		
Interest on Idle Funds	361	366	365
Miscellaneous	267	829	250
Does miscellaneous exceed 10% of Total Receipts		-27	
Total Receipts	62,219	60,552	29,628
Resources Available:	70,175	81,713	51,534

Page No. 7

City of Galesburg

FUND PAGE - GENERAL Adopted Budget

Prior Year Actual		oposed Budget Year

General	2008	3 1	2009	2010
Resources Available:		70,175	81,713	51,534
Expenditures:				
General Administration		20,845	23,581	25,072
Fire Department		11,444	19,135	25,000
Highway and Streets	· · · · · · · · · · · · · · · · · · ·	4,099	2,394	5,951
Parks & Recreation		1,802	1,284	3,350
Sanitation		10,092	10,056	11,000
Debt Service		0	2,625	11,250
Debt Scivice		0	2,023	11,230
Sub-Total detail page (Note should agree with detail)		48,282	59,075	81,623
Sub-Total detail page (Note should agree with detail)		40,202	39,013	81,023
Operating Transfers to:				
Operating Transfers to: CDBG Fund - Match		732	732	732
	· · · · · · · · · · · · · · · · · · ·			
	·			

Najahbarha d Baritaliantian Pakata				ļ
Neighborhood Revitalization Rebate Miscellaneous				ļ
Does miscellaneous exceed 10% of Total Expenditures				
Total Expenditures		49,014	59,807	82,355
Unencumbered Cash Balance Dec 31		21,161		XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX
2008/2009 Budget Authority Amount: 93,913	101,923	21,101	Non-Appr Bal	
Violation of Budget Law for 2008/2009: No			Non-Appr Bal Tot Exp/Non-Appr Bal	
Possible Cash Violation for 2008: No	<u>No</u>		Tax Required	
russinie Casti violation 101 2006.		D	el Comp Rate: 0.000%	30,821
			f 2009 Ad Valorem Tax	I 0 1
		i inount O	. 2007 Au valoioni lax	30,621

Page No. 7a

Adopted Budget	Prior Year Actual		Proposed Budget Year
General Fund - Detail Expenditures	2008	2009	2010
Expenditures:			
General Administration			
Personal Services	11,497	11,497	12,072
Contractual Services	8,704	11,485	12,000
Commodities	644	599	1,000
Total	20,845	23,581	25,072
Fire Department			
Contractual Services	6,394	15,898	16,000
Commodities	5,050	3,237	4,000
Capital Outlay	0	0	5,000
Total	11,444	19,135	25,000
Highway and Streets			
Commodities	4,099	2,394	5,951
Total	4,099	2,394	5,951
Parks & Recreation	- <u></u>		
Contractual Services	500	1,167	2,000
Commodities	182	117	150
Capital Outlay	1,120	0	1,200
Total	1,802	1,284	3,350
Sanitation Contractual Services	10.000	10.057	11.000
Contractual Services	10,092	10,056	11,000
Total	10,092	10,056	11,000
Debt Service			<u> </u>
Lease Purchase - Fire Station Impr.	0	2,625	5,250
Antic. Street Bonds - Principal	0	0	3,000
Antic. Street Bonds - Interest	0	0	3,000
Total	0	2,625	11,250
Total	0	0	0
Total			0
Total	0	0	0
Page Total (Note: Should agree with general sub-to	48,282	59,075	81,623

(Note: Should agree with general sub-totals.)

City of Galesburg

FUND PAGE FOR FUNDS WITH A TAX LEVY

Adopted Budget	Prior Year	Actual	Current Year Estimate	Proposed Budget Year
Tort Liabilty	200	8	2009	2010
Unencumbered Cash Balance Jan 1		3,315	4,709	5,445
Receipts:				
Ad Valorem Tax		6,942	7,043	XXXXXXXXXXXXXXXXXX
Delinquent Tax		72	14	14
Motor Vehicle Tax		455	763	718
Recreational Vehicle Tax		51	7	7
16/20M Vehicle Tax		8	12	12
Slider				0
Reimbursed Expense		1,267		
Interest on Idle Funds				
Miscellaneous				
Does miscellaneous exceed 10% of Total Receipts				
Total Receipts		8,795	7,839	
Resources Available:		12,110	12,548	6,196
Expenditures:				
General Government				
Contractual Services		7,401	7,103	13,200
Neighborhood Revitalization Rebate				
Miscellaneous				
Does miscellaneous exceed 10% of Total Expenditures				<u> </u>
Total Expenditures		7,401		<u></u>
Unencumbered Cash Balance Dec 31		4,709		XXXXXXXXXXXXXXXXXX
2008/2009 Budget Authority Amount: 10,500	11,800		Non-Appr Bal	
Violation of Budget Law for 2008/2009: No	<u>No</u>		Tot Exp/Non-Appr Bal	
Possible Cash Violation for 2008: No			Tax Required	
			el Comp Rate: 0.000%	
		Amount o	f 2009 Ad Valorem Tax	7,004

Adopted Budget

Adopted Budget				
	Prior Ye	ar Actual	Current Year Estimate	Proposed Budget Year
. 0	20	800	2009	2010
Unencumbered Cash Balance Jan 1			0	0
Receipts:				
Ad Valorem Tax			0	XXXXXXXXXXXXXXXXXX
Delinquent Tax				
Motor Vehicle Tax				
Recreational Vehicle Tax				
16/20M Vehicle Tax				
Slider				ļ
<u> </u>				<u> </u>
				1
				
Interest on Idle Funds		.,		
Miscellaneous				
Does miscellaneous exceed 10% of Total Receipts				
Total Receipts		0	0	0
Resources Available:		0	0	0
Expenditures:				1
	-			
Neighborhood Revitalization Rebate	1	7.00		<u> </u>
Miscellaneous				
Does miscellaneous exceed 10% of Total Expenditures	3			
Total Expenditures		0	0	0
Unencumbered Cash Balance Dec 31		0	0	xxxxxxxxxxxxxxxx
2008/2009 Budget Authority Amount: 0	0		Non-Appr Bal	
Violation of Budget Law for 2008/2009: No	<u>No</u>		Tot Exp/Non-Appr Bal	0
Possible Cash Violation for 2008: No			Tax Required	0
		D	el Comp Rate: 0.000%	0
		Amount of	f 2009 Ad Valorem Tax	. 0

Page No.

8

FUND PAGE FOR FUNDS WITH NO TAX LEVY

Adopted Budget	Prior Year Actual	Current Year Estimate	Proposed Budget Year
Special Highway	2008	2009	.2010
Unencumbered Cash Balance Jan 1	29,847	34,060	36,784
Receipts:			
State of Kansas Gas Tax	4,213	3,790	4,230
County Transfers Gas		0	0
Interest on Idle Funds			
Miscellaneous			
Does miscellaneous exceed 10% of Total Receipts		•	
Total Receipts	4,213		
Resources Available:	34,060	37,850	41,014
Expenditures:			
Highways & Streets			
Commodities	0	1,066	41,014
Miscellaneous			
Does miscellaneous exceed 10% of Total Expenditures		1000	41.014
Total Expenditures	0	_,	
Unencumbered Cash Balance Dec 31	34,060	36,784	0

2008/2009 Budget Authority Amount: Violation of Budget Law for 2008/2009:

Possible Cash Violation for 2008:

36,312 <u>No</u> <u>No</u> 37,431 <u>No</u>

Adopted Budget

	Prior Year Actual	Current Year Estimate	Proposed Budget Year
Equipment Reserve	2008	2009	2010
Unencumbered Cash Balance Jan 1	34,517	35,559	36,657
Receipts:			
Tues and an Idla Pounda	1.042	1 000	1 100
Interest on Idle Funds	1,042	1,098	1,100
Miscellaneous			
Does miscellaneous exceed 10% of Total Receipts			
Total Receipts	1,042		1,100
Resources Available:	35,559	36,657	37,757
Expenditures:			
Capital Outlay	0	0	37,757
		1	
Miscellaneous			
T I			
Does miscellaneous exceed 10% of Total Expenditures			25.655
Total Expenditures	0	0	37,757
Unencumbered Cash Balance Dec 31	35,559	36,657	0

2008/2009 Budget Authority Amount: Violation of Budget Law for 2008/2009:

Possible Cash Violation for 2008:

34,386

36,791 <u>No</u>

No No

FUND PAGE FOR	FUNDS WITH NO	TAX LEVY
----------------------	---------------	----------

Adopted Budget	Prior Year Actual	Current Year Estimate	Proposed Budget Year
Water Utility	2008	2009	2010
Unencumbered Cash Balance Jan 1	-105	-11,732	-16,464
Receipts:			
Charges for Services	34,436	36,011	49,090
Connections	0	0	80
Operating Transfers from:			
Sewer Utility Fund	0	0	10,000
Interest on Idle Funds	22	0	0
Miscellaneous			
Does miscellaneous exceed 10% of Total Receipts			
Total Receipts	34,458	L	1
Resources Available:	34,353	24,279	42,706
Expenditures:			
Production & Purchases	33,694	28,194	30,000
Transmission & distribution	63	0	0
Commercial & General	5,138	5,344	5,500
Debt Service :			
Principal	1,535		
Interest	5,655	5,591	5,525
Miscellaneous			
Does miscellaneous exceed 10% of Total Expenditures		 	
Total Expenditures	46,085	40,743	42,706
Unencumbered Cash Balance Dec 31	-11,732		

2008/2009 Budget Authority Amount: Violation of Budget Law for 2008/2009:

Possible Cash Violation for 2008:

61,040 No Yes

46,705 No

Adopted Budget

	Prior Year Actual	Current Year Estimate	Proposed Budget Year
Sewer Utility	2008	2009	2010
Unencumbered Cash Balance Jan 1	49,349	53,551	49,989
Receipts:			
Charges for Services	9,997	9,888	11,000
Interest on Idle Funds	1,152	1,150	1,150
Miscellaneous			
Does miscellaneous exceed 10% of Total Receipts			
Total Receipts	11,149	11,038	12,150
Resources Available:	60,498	64,589	62,139
Expenditures:			
Contractual Services	4,224	4,320	4,500
Commodities	2,723	280	1,000
Capital Outlay	0	0	36,639
Operating Transfers to:			
Sewer Utility Reserve Fund	0	10,000	10,000
Water Utility Fund	0	0	10,000
Miscellaneous			
Does miscellaneous exceed 10% of Total Expenditures			
Total Expenditures	6,947	14 (00	(2.120
Unencumbered Cash Balance Dec 31			62,139
Ononcumbered Cash Balance Dec 31	53,551	49,989	0

2008/2009 Budget Authority Amount: Violation of Budget Law for 2008/2009:

50,462

57,628

Possible Cash Violation for 2008:

No No No

Page No.

NON-BUDGETED FUNDS (A) (Only the actual budget year for 2008 is to be shown)

Non-Budgeted Funds-A (1) Fund Name:	(2) Fund Name:	-	(3) Fund Name:		(4) Fund Name:		(5) Fund Name:	C		
Water Utility Reserve	Sewer Utility Reserve	eserve	CDBG Fund			5		5	T. 42	
	Unencumbered		Unencumbered		Unencumbered		Unencumbered		lotai	
56.998	Τ	15,866	Cash Balance Jan 1	1,790	Cash Balance Jan 1	<u> </u>	Cash Balance Jan 1		74,654	
			Receipts:		Receipts:		Receipts:			
1.267	Interest Income	200	Interest Income	22						
			Transfers from:							
			General Fund	732						
1.267	7 Total Receipts	200	Total Receipts	754	Total Receipts	0	Total Receipts	0	2,221	
58,265		16,066	Resources Available:	2,544	Resources Available:	0	Resources Available:	0	76,875	
			Expenditures:		Expenditures:		Expenditures:			
				ŀ						
		-								
-	Total Evnenditures	c	Total Expenditures	0	Total Expenditures	0	Total Expenditures	0	0	
376 63	T	16 066	Cash Balance Dec 31	2.544	Cash Balance Dec 31	0	Cash Balance Dec 31	0	76,875	*
70,21	7		7]		l		76,875	*
					ì					

**Note: These two block figures should agree.

Π Page No.

NOTICE OF BUDGET HEARING

The governing body of City of Galesburg

will meet on the 11th day of August, 2009, at 7:00 p.m. at the Galesburg Community Center for the purpose of hearing and answering objections of taxpayers relating to the proposed use of all funds and the amount of ad valorem tax.

Detailed budget information is available at Judy Newberry's residence and will be available at this hearing.

BUDGET SUMMARY

Proposed Budget 2010 Expenditures and Amount of 2009 Ad Valorem Tax establish the maximum limits of the 2010 budget.

Estimated Tax Rate is subject to change depending on the final assessed valuation.

Γ	Prior Year Actual	for 2008	Current Year Estim	ate for 2009	Propos	ed Budget for 2010	
FUND	Expenditures	Actual Tax Rate *	Expenditures	Actual Tax Rate *	Expenditures	Amount of 2009 Ad Valorem Tax	Estimate Tax Rate *
General	49,014	24.860	59,807	25.574	82,355	30,821	26.428
Tort Liabilty	7,401	5.951	7,103	5.979	13,200	7,004	6.006
						-	
Special Highway Equipment Reserve			1,066		41,014 37,757		
Water Utility	46,085		40,743		42,706		
Sewer Utility	6,947		14,600		62,139		
			- 				
Non-Budgeted Funds-A							
T	100 447	30.011	122.210	21.552	270.171	27.026	22.424
Totals Less: Transfers	109,447 732	30.811	123,319 10,732	31.553	279,171 20,732	37,825	32.434
Net Expenditure	108,715	ŀ	112,587		258,439	Į	
Total Tax Levied	36,423	1	37,167	!	xxxxxxxxxxxxxx		
Assessed				[1	
Valuation	1,182,149	Į.	1,177,896]	1,166,221]	
Outstanding Indebtedness,							
January 1,	<u>2007</u>		2008		2009		
G.O. Bonds	0	-	0		60,000		
Revenue Bonds Other	138,569		137,080		135,544 0	-	
Lease Purchase Principal		-	0	-	0	•	
Total	138,569	•	137,080		195,544	•	
*Tax rates are expressed in m	ills			•		•	
MARIALINA	hochey,	Mayon					
City Official Title:	methey)	, naugo					
ong official fills,	•	U					
		Page No.	12				

12

ted Donation: \$3.00 e 60 or older.) Consulth Senior Services Dinay be arranged.

-State Fair & deo Events

Music Festival with Eric Church and the mg Band, Bart Crow and Jeremy McComb.

And August 9 at 5 p.m.

Rodeo.

day, August 10 at 7:30 reestyle MotoX.

day, August 11 at 7:30 remo Derby.

nesday, August 12

Sat., August 15

Rodeo at 7:30 p.m. each

